



United States House of Representatives
Committee on the Transportation and Infrastructure
Subcommittee on Highways and Transit
Hon. Tom Petri, Chairman

Testimony of:
Mr. Douglas Danko, Chairman
American Traffic Safety Services Association (ATSSA)

January 28, 2014

Chairman Petri, Ranking Member Norton and members of the Subcommittee, thank you for the opportunity to testify today on behalf of the American Traffic Safety Services Association (ATSSA). My name is Douglas Danko, and I am ATSSA's Chairman and recently retired President of Protection Services, Inc. ATSSA is an international trade association which represents 1,600 members who manufacture, distribute or install roadway safety infrastructure devices such as guardrail/cable barrier, pavement markings, rumble strips, signs, and temporary traffic control devices, among many other activities.

Currently, a perfect storm has emerged for our nation's infrastructure. We see increased needs and reduced and struggling revenue streams. According to the American Society of Civil Engineers' 2013 Report Card for America's Infrastructure, roads scored a "D" and bridges scored a "C+."¹ In addition, we are spending more from the Highway Trust Fund than we are collecting in taxes and fees – a situation that the U.S. Department of Transportation estimates that the Fund will "encounter a shortfall" before the end of Fiscal Year 2014.²

Although this seems like a dark and gloomy forecast, it actually represents a tremendous opportunity for Congress, the White House and stakeholders to come together to develop a long-term solution to our nation's transportation investment needs - including solutions to dramatically reduce roadway fatalities and serious injuries.

ATSSA believes that, as a country, we have an opportunity to move Toward Zero Deaths on our roadways. Although this is an ambitious, and some say impossible, goal - a goal of anything less is unacceptable. Which of us would want to select a friend, neighbor or member of our own family who would not return home safely?

In order to accomplish this and many of the other important goals that are needed to improve our nation's transportation network, the fiscal situation of the Highway Trust Fund must be addressed and made sustainable. ATSSA is committed to working with Congress to find additional revenue options that will invest in our infrastructure, save lives, create jobs and represent a positive investment by American taxpayers. As an association and industry, we believe that all funding options should be on the table.

MAP-21 made great strides in making roads safer for roadway workers and road users alike. However, more must be accomplished. The Highway Safety Improvement Program (HSIP) was increased to \$2.4 billion annually, which represents a commitment by Congress to safety. This new funding level is 7% of the overall federal-aid highway program. However, in 2012, 33,561 men, women and children died on America's roads. This is an increase of 1,082 fatalities from 2011.³ Even though the loss of a loved one

¹ American Society of Civil Engineers: <http://www.infrastructurereportcard.org/a/#p/home>

² U.S. Department of Transportation: <http://www.dot.gov/highway-trust-fund-ticker>

³ NHTSA: <http://www.nhtsa.gov/About+NHTSA/Press+Releases/NHTSA+Data+Confirms+Traffic+Fatalities+Increased+In+2012>

cannot truly be captured in dollar figures, the National Highway Traffic Safety Administration (NHTSA) does value a “statistical life” at \$9.1 million.⁴ When multiplied against the number of fatalities, the figure is staggering.

The good news is that since the HSIP was created, there has been a dramatic decrease in roadway deaths. In order to remain on the offense and reduce highway fatalities, we must continue to invest in programs that are working, such as the HSIP. Projects that are eligible under the HSIP generally have a very high return on investment. For instance, Kentucky recently installed high friction surfacing applications and preliminary results indicate a 69% reduction in crashes. In addition, according to the Texas A&M Transportation Institute, wider edge lines reduce total crashes 15% - 30% and yield a benefit cost ratio of between \$33 and \$55 for every \$1 spent depending on the particular project.⁵ Finally, according to a June 2010 study conducted by SAIC, the HSIP yields a benefit cost ratio of 42.7:1. The study notes that for every \$1 million increase in safety obligations, roadway fatalities were annually reduced by 7.⁶ It is also important to note that this study was completed using the older \$6.1 million figure by NHTSA instead of the current \$9.1 million statistic. One would imagine that this return on investment might be even higher today. ATSSA recommends that the HSIP be continued as a core program and that the investment in that program be increased to \$3 billion annually or 10% of the overall federal-aid highway program, whichever is higher.

Two other changes to the HSIP will help ensure that the program is as strong and safety-focused as possible. In the next reauthorization, Congress should limit or eliminate a state’s ability to transfer funds from the HSIP to other core highway programs. It is true that states need degrees of flexibility when focusing on their individual project needs. However, with more than 33,000 fatalities occurring each and every year, taking funds away from the core safety infrastructure program seems counterproductive.

Also, when MAP-21 was crafted, the legislative language “but is not limited to”⁷ was added before the list of eligible HSIP activities. Unfortunately, this language has been interpreted to mean that any safety project, infrastructure or not, may be eligible under the HSIP, thus diluting the core purpose of the program. In the next reauthorization, ATSSA recommends focusing the language to reflect additional safety infrastructure devices instead of the more open-ended interpretation currently used by the Federal Highway Administration.

In addition to these funding and HSIP-related changes, which will enhance safety nationwide and save more lives, there are two additional policy areas that are critical to safety. According to the National

⁴ U.S. Department of Transportation: <http://www.dot.gov/sites/dot.dev/files/docs/VSL%20Guidance%202013.pdf>

⁵ Texas A&M Transportation Institute: <https://tti.tamu.edu/2012/03/22/new-study-makes-strong-case-for-wider-edge-line-markings-on-rural-two-lane-highways/>

⁶ Highway Safety Improvement Program Obligations and Fatalities on U.S. Highways: Final Report: http://s3.amazonaws.com/media.atssa.com/default-file/HSIP%20Obli_7-09-10.pdf

⁷ MAP-21: page 46

Association of Counties, counties own and maintain 1.8 million miles of roads which equates to about 44% of all public roads.⁸ However, local agencies often do not have the resources necessary to address their safety concerns.⁹ According to FHWA, the fatality rate on rural roads is 2.5 times greater than that on urban roads.¹⁰ MAP-21 directed the Federal Highway Administration to undertake a study and produce a manual for state and local transportation departments that showcases cost-effective roadway safety infrastructure improvements for rural roads. That study indicated that there are five areas of concern for local agencies and rural roads, including:

- Lack of funds to implement projects or to match State or Federal programs;
- Lack of technical expertise to identify and select treatments;
- Lack of routine and effective communication between local agencies and state DOTs;
- Local agencies are unfamiliar with the Federal-aid process or perceive it as too cumbersome;
- Competition from the large number of local agencies for State or Federal funds makes it difficult to secure funding.

These are both serious and addressable concerns. The next reauthorization should include language to help streamline this communication and allow local government entities to utilize funds and the technical expertise that state DOTs have in order to make local and rural roads as safe as possible.

In addition, older driver safety is of utmost importance. According to AAA, by 2030, one in four (or 25%) of American drivers will be 65 years or older. Cost-effective infrastructure solutions help older Americans safely age in place. These solutions are outlined in the Federal Highway Administration's Highway Design Handbook for Older Drivers and Pedestrians and include projects such as larger and brighter signs with larger font, wider and brighter pavement markings and dedicated left-turn lanes, among many other applications. However, because there is a clear need for these solutions into the future, the next reauthorization should include language that assists state and local transportation departments in planning for and implementing these cost-effective safety infrastructure solutions.

Another aspect of roadway safety infrastructure that is important to address is work zone safety. SAFETEA-LU created, and MAP-21 continued, the Work Zone Safety Grant which is a competitive grant that helps make work zones across the country as safe as possible. In 2005, there were 1,058 work zone fatalities. In 2012, there were 609 which is a slight increase from the year before when there were 590. This tremendous decrease in work zone fatalities is an achievement for which we all should be proud.

⁸ National Association of Counties:

<http://www.naco.org/legislation/policies/Documents/Transportation/bf%20%20--%20TEA2.pdf>

⁹ Federal Highway Administration: http://safety.fhwa.dot.gov/local_rural/

¹⁰ Federal Highway Administration:

<https://s3.amazonaws.com/media.atssa.com/GR/2013+HRRR+Final+RTC+%28signed+120513%29+120913.pdf>

However, keeping the mission of Towards Zero Deaths in mind, we cannot become complacent. The next reauthorization should continue to fund the Work Zone Safety Grant and expand its eligible activities to include the creation of a training program for the proper maintenance and installation of guardrail. When guardrail is properly maintained and installed, it is a lifesaving device; however, when done improperly, it can become a dangerous roadside hazard.

Chairman Petri and Ranking Member Norton, we've talked a lot about safety today and the impacts of the federal transportation program on America. There may be some in Congress and throughout the country that still believe that transportation is not and should not have a federal role. However, the United States Constitution makes that federal role clear. Article 1, Section 8 states: "The Congress shall have Power To establish Post Offices and post Roads."¹¹

I also wanted to take this opportunity to thank members of the Subcommittee who have visited with ATSSA member companies in their districts to learn more about how roadway safety infrastructure pays triple dividends by saving lives, creating jobs, and offering a high return on investment.

In closing, on behalf of ATSSA, I thank you for this opportunity to testify about America's safety infrastructure needs and how we all, as transportation leaders and elected officials, can move our nation Toward Zero Deaths on our roads.

¹¹ U.S. Constitution: http://www.archives.gov/exhibits/charters/constitution_transcript.html

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
Truth in Testimony Disclosure

Pursuant to clause 2(g)(5) of Rule XI of the Rules of the House of Representatives, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

(1) Name:

DOUGLAS B. DANIKO

(2) Other than yourself, name of entity you are representing:

AMERICAN TRAFFIC SAFETY SERVICES ASSOCIATION

(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?

YES

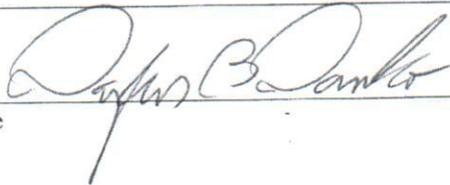
If yes, please provide the information requested below and attach your curriculum vitae.

NO

(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:

- \$4.4m 2011 WORK ZONE SAFETY GRANT - US DEPT OF TRANSPORTATION - FHWA - OFFICE OF OPERATIONS.
- \$ 2.2m 2013 WORK ZONE SAFETY GRANT - US DEPT OF TRANSPORTATION - FHWA - OFFICE OF OPERATIONS.
- \$ 80,000 HRS VIDEO - US DEPT OF TRANSPORTATION - FHWA - EVERY DAY COUNTS (EDC2) PROGRAM - OFFICE OF SAFETY
- \$ 9,466 LOW COST ITS SOLUTIONS ADDRESSING SAFETY ON LOCAL RURAL ROADS (SUBCONTRACTOR TO SAIC) US DOT - FHWA - OFFICE OF SAFETY

Signature



Date

1/23/14

Douglas B. Danko

Douglas B. Danko is the retired President of Protection Services, Inc. As chief executive officer of the corporation, Mr. Danko directed operations of the safety group of companies: Protection Services, Inc., Work Area Protection, Inc., ASTI Transportation, Inc., and Precision Solar Controls, Inc.

During his 38 year career, Mr. Danko demonstrated his extensive experience in directing corporations in the highway safety, manufacturing, and roadway construction sectors. As a key executive within the Stabler Companies Organization (SCO) he was involved in determining policy, practice and strategic implementation of corporate initiatives.

Mr. Danko's prior positions within SCO included Vice President, Controller and Secretary of Stabler Companies, Inc. and the SCO operating Companies. In 1997, Mr. Danko was named President of Protection Services, Inc. with responsibility for manufacturing, sales, distribution, and profitability of Highway Work Zone Safety products. Shortly thereafter, Mr. Danko assumed operating responsibilities for ASTI Transportation Inc., a Stabler subsidiary that provides ITS (intelligent transportation) solutions.

In 2008, with the acquisition of Stabler Companies, Inc. by New Enterprise Stone and Lime Company, Inc. (NESL), Mr. Danko continued in his role as President of Protection Service, Inc. and ASTI Transportation, Inc. Mr. Danko's role expanded when he was assigned the senior management role directing the corporation's Safety Group that included Work Area Protection, Inc. and Precision Solar, Inc.

In 2012, Mr. Danko was named Chairman of the American Traffic Safety Services Association (ATSSA). Mr. Danko is a graduate of the Pennsylvania State University with a degree in Accounting. His community activities include participation in the local Council of the Boy Scouts of America where he previously served as a member of the Board of Directors and Treasurer; a member of the Knights of Columbus; a member of his Homeowners Association; a youth soccer coach and Cub Scout leader.

Mr. Danko is married 39 years and has two grown children.